

AN AMENDED RESOLUTION FINDING, DETERMINING
AND RATIFYING AN INDUCEMENT RESOLUTION
OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
AUTHORIZING THE ISSUANCE AND SALE OF UP TO
\$3,000,000 ECONOMIC DEVELOPMENT REVENUE BONDS
OF THE CITY OF FORT WAYNE, INDIANA,
FOR THE PURPOSE OF INDUCING THE APPLICANT,
CHILD WORLD, INC., AND/OR ITS ASSIGNEE,
TO PROCEED WITH ARRANGEMENTS FOR THE ACQUISITION,
CONSTRUCTION AND INSTALLATION OF THE PROJECT.

WHEREAS, the City of Fort Wayne, Indiana (the "Issuer") is
authorized by Indiana Code §36-7-12 (the "Act") to issue revenue bonds
for the financing of economic development facilities, the funds from
said financing to be used for the acquisition, construction and
installation, including land, machinery and equipment; and

WHEREAS, Child World, Inc., its successors, assigns or
nominees (the "Applicant") has advised the Fort Wayne Economic
Development Commission (the "Commission") and the Issuer that it
proposes that the Issuer issue revenue bonds to provide financing
pursuant to the Act for the acquisition, construction and installation,
including land, machinery and equipment, by Applicant, a parent,
subsidiary or affiliate thereof or a third party unrelated to
Applicant, as may hereafter be determined by Applicant ("Borrower"),
of real and personal property comprising a new commercial facility
to be located within the boundaries of the Issuer for use in the
sale, warehousing and distribution of toys, juvenile furniture,
recreational and sporting goods, wheel goods and other related items,
accessories and supplies, and other compatible commercial uses
(the "Project"), and issuance costs related thereto, the cost of
which Project and issuance costs is now estimated not to exceed
\$3,000,000; and

1 WHEREAS, Applicant has informed the Commission and the Issuer
2 of the possibility or probability that Applicant's rights and obliga-
3 tions hereunder and under the Agreement hereinafter authorized may be
4 assigned by Applicant to a parent, subsidiary or affiliate thereof or a
5 third party unrelated to Applicant who would acquire, construct and
6 install and own or lease the Project and lease or sublease all or a
7 portion of the Project to Applicant; and

8 WHEREAS, Applicant and/or another Borrower will proceed with
9 the acquisition, construction and installation of the Project and
10 provide moneys for interim financing of such acquisition, construction
11 and installation of the Project until, the Commission and the Issuer
12 can complete the necessary procedures to authorize the issuance of
13 revenue bonds pursuant to the Act in aggregate principal amount now
14 estimated not to exceed \$3,000,000 if the Issuer will agree to issue
15 such revenue bonds; and

16 WHEREAS, the diversification of industry and an increase
17 in approximately 13 full-time and 12 part-time permanent job
18 opportunities to be achieved by the operation of the Project within
19 the Issuer will be of public benefit to the health, safety and general
20 welfare of the Issuer and its citizens; and

21 WHEREAS, having received the advice of the Commission, it
22 appears that the financing of the Project will be of public benefit
23 to the health, safety and general welfare of the Issuer and its citizens
24 and the citizens of Allen County, Indiana; and

25 WHEREAS, the Project will not have an adverse effect on
26 any similar facility already constructed or operating in the Issuer or
27 Allen County, Indiana.

28 NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL
29 OF THE CITY OF FORT WAYNE, INDIANA:
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1 SECTION 1. The Common Council finds, determines, ratifies
2 and confirms that the diversification of industry and promotion of
3 job opportunities in and near the Issuer and in Allen County,
4 Indiana, is desirable to preserve the health, safety and general
5 welfare of the citizens of the Issuer, and that it is in the public
6 interest that the Commission and the Issuer take such action as
7 they lawfully may to encourage economic development, diversification
8 of industry and promotion of job opportunities in and near the Issuer.

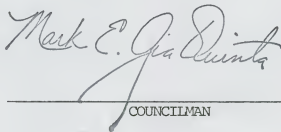
9 SECTION 2. The Common Council further finds, determines,
10 ratifies and confirms that the issuance and sale of economic development
11 revenue bonds of the Issuer with the Act in an amount now estimated not
12 to exceed \$3,000,000 for the acquisition, construction and installation,
13 including land, machinery and equipment, of the project and the sale
14 or leasing of the Project to the Borrower or the loan of the proceeds
15 of such revenue bonds to the Borrower for such purposes will serve
16 the public purpose referred to above, in accordance with the Act.

17 SECTION 3. In order to induce the Applicant and/or another
18 Borrower to proceed with the acquisition, construction and installation
19 of the Project and to provide funds to pay the cost of the Project,
20 the Common Council hereby finds, determines, ratifies and confirms
21 that (i) it will authorize and issue revenue bonds of the Issuer
22 pursuant to the Act in aggregate principal amount now estimated not
23 to exceed \$3,000,000, upon the terms provided in the form of Agreement
24 attached hereto as Exhibit A, which is hereby and in all respects
25 approved, and the Mayor is hereby authorized to execute such Agreement;
26 (ii) it will take or cause to be taken such actions pursuant to the
27 Act as may be required to implement the aforesaid financing, or as
28 it may deem appropriate in pursuance thereof, provided that all of the
29 foregoing shall be mutually acceptable to the Issuer and the Applicant;
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1 and (iii) it will adopt such ordinances and resolutions and authorize
2 the execution and delivery of such instruments and the taking of such
3 actions as may be necessary and advisable for the authorization,
4 issuance and sale of said economic development revenue bonds.

5 SECTION 4. All costs of the Project incurred after the
6 passage of this Inducement Resolution, including reimbursement of
7 or repayment to the Applicant and/or another Borrower of monies
8 expended by them for planning, engineering, interest during construction,
9 underwriting expenses, attorney and bond counsel fees, acquisition,
10 construction and installation of the Project, will be permitted to be
11 included as part of the bond issue to finance the Project, and the Issuer
12 will sell or lease the same to the Borrower or loan the proceeds of
13 such financing to the Borrower for the same purposes.
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16 ADOPTED this ____ day of March, 1982.
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21 COUNCILMAN

22 APPROVED AS TO FORM
23 AND LEGALITY.

24
25 John J. Wernet, Attorney for
26 Economic Development Commission
27 Dated this ____ day of _____, 1982
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1 A RESOLUTION FINDING, DETERMINING
2 AND RATIFYING AN INDUCEMENT RESOLUTION
3 OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
4 AUTHORIZING THE ISSUANCE AND SALE OF
5 \$3,000,000 ECONOMIC REVENUE BONDS OF THE
6 CITY OF FORT WAYNE, INDIANA,
7 FOR THE PURPOSE OF INDUCING THE APPLICANT,
8 CHILD WORLD, INC.
9 TO PROCEED WITH THE ACQUISITION,
10 CONSTRUCTION AND EQUIPPING OF THE PROJECT.

11 WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer")
12 is authorized by I.C. §36-7-12 (the "Act") to issue revenue
13 bonds for the financing of economic development facilities,
14 the funds from said financing to be used for the acquisition,
15 construction and equipping of said facilities, and said faci-
16 lities to be either sold or leased to another person or dir-
17 ectly owned by another person; and

18 WHEREAS, Child World, Inc., its successors, assigns or
19 nominees (the "Applicant") has advised the Fort Wayne Economic
20 Development Commission and the Issuer that it proposes that the
21 Issuer lease the same to the Applicant or loan proceeds of an
22 economic development financing to the Applicant for the same,
23 said economic development facility to be purchase of land and
24 existing buildings located near the corner of Coldwater Road
25 and U.S. Highway 30, Fort Wayne, Indiana, demolition of existing
26 buildings, construction and equipping of 36,000 sq. ft. building
27 and parking area, including cost of issuance, for use as retail
28 toy store (the "Project"); and

29 WHEREAS, the diversification of industry and an increase
30 in approximately 13 full-time and 12 part-time permanent job
31 opportunities to be achieved by the acquisition, construction
32 and equipping of the Project will be of public benefit to the
33 health, safety and general welfare of the Issuer and its citizens;
34 and

35 WHEREAS, having received the advice of the Fort Wayne
36 Economic Development Commission, it would appear that the

1 financing of the Project would be of public benefit to the
2 health, safety and general welfare of the Issuer and its
3 citizens; and

4 WHEREAS, the acquisition and construction of the facility
5 will not have an adverse effect on any similar facility already
6 constructed or operating in or about Fort Wayne, Indiana.

7 NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF
8 THE CITY OF FORT WAYNE, INDIANA:


9 SECTION 1. The Common Council finds, determines, rati-
10 fies and confirms the promotion of diversification of economic
11 development and job opportunities in and near Fort Wayne, Indiana
12 and in Allen County, is desirable to preserve the health, safety
13 and general welfare of the citizens of the Issuer; and that it is
14 in the public interest that Fort Wayne Economic Development Com-
15 mission and said Issuer take such action as it lawfully may to
16 encourage diversification of industry and promotion of job
17 opportunities in and near said Issuer.

18 SECTION 2. The Common Council further finds, determines,
19 ratifies and confirms that the issuance and sale of revenue
20 bonds in an amount not to exceed \$3,000,000 of the Issuer under
21 the Act for the acquisition, construction and equipping of the
22 Project and the sale or leasing of such a financing to the
23 Applicant for such purposes will serve the public purpose referred
24 to above, in accordance with the Act.

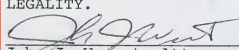
25 SECTION 3. In order to induce the Applicant to proceed
26 with the acquisition, construction and equipping of the Project,
27 the Common Council hereby finds, determines, ratifies and confirms
28 that (i) it will take or cause to be taken such actions pursuant
29 to the Act as may be required to implement the aforesaid financing,
30 or as it may deem appropriate in pursuance thereof, provided that
31 all of the foregoing shall be mutually acceptable to the Issuer
32 and the Applicant; and (ii) it will adopt such ordinances and

1 resolutions and authorize the execution and delivery of such
2 instruments and the taking of such action as may be necessary and
3 advisable for the authorization, issuance and sale of said
4 economic development bonds.

5 SECTION 4. All costs of the Project incurred after the
6 passage of this Inducement Resolution, including reimbursement
7 or repayment of the Applicant of monies expended by the Applicant
8 for planning, engineering, interest paid during construction,
9 underwriting expenses, attorney and bond counsel fees, acquisition,
10 construction and equipping of the Project will be permitted to be
11 included as part of the bond issue to finance such Project, and
12 the Issuer will thereafter either sell or lease the same to the
13 Applicant or loan the proceeds of such financing to the Applicant
14 for the same purposes.

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16 
17 COUNCILMAN

18 APPROVED AS TO FORM AND
19 LEGALITY.

20 
21 John J. Wernet, Attorney for
22 Economic Development Commission
23 Dated this 18 day of February, 1982.

Read the first time in full and on motion by GiaQuinta, seconded by Burns, and duly adopted, read the second time by title and referred to the Committee Sanborn (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on _____, 19____, the _____ day of _____, at _____ o'clock _____ M., E.S.T.

DATE: 2-23-82

Charles W. Westerman
CHARLES W. WESTERMAN
CITY CLERK

Read the third time in full and on motion by GiaQuinta, seconded by Stier, and duly adopted, placed on its passage. PASSED (1094) by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT	TO-WIT:
TOTAL VOTES	<u>8</u>	_____	_____	<u>1</u>	_____
<u>Burns</u>	<u>✓</u>	_____	_____	_____	_____
<u>EISBART</u>	<u>✓</u>	_____	_____	_____	_____
<u>GiaQUINTA</u>	<u>✓</u>	_____	_____	_____	_____
<u>NUCKOLS</u>	<u>✓</u>	_____	_____	<u>✓</u>	_____
<u>SCHMIDT, D.</u>	<u>✓</u>	_____	_____	_____	_____
<u>SCHMIDT, W.</u>	<u>✓</u>	_____	_____	_____	_____
<u>SCHOMBURG</u>	<u>✓</u>	_____	_____	_____	_____
<u>STIER</u>	<u>✓</u>	_____	_____	_____	_____
<u>TALARICO</u>	<u>✓</u>	_____	_____	_____	_____

DATE: 3-9-82

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ZONING MAP) (GENERAL) (ANNEXATION) (SPECIAL) (APPROPRIATION) ORDINANCE (RESOLUTION) No. 3-10-82 on the 9th day of March, 1982.

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

ATTEST: (SEAL)
Samuel J. Talarico
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 10th day of March, 1982, at the hour of 11:30 o'clock P. M., E.S.T.

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Approved and signed by me this 17th day of March 1982, at the hour of 4 o'clock P. M., E.S.T.

Winifred C. Moses, Jr.
WINIFRED C. MOSES, JR.
MAYOR

AGREEMENT

THIS AGREEMENT, entered into as of the ___ day of March, 1982, between the City of Fort Wayne, Indiana, a city of the second class organized and existing under the Constitution and laws of the State of Indiana (the "Issuer"), and Child World, Inc., a Massachusetts corporation qualified to do business in Indiana (the "Applicant"), in furtherance of the public purpose of Indiana Code §36-7-12 (the "Act") to promote additional job opportunities and industrial diversification and thereby benefit the health, safety and general welfare of the Issuer and its citizens;

WITNESSETH:

WHEREAS, the Applicant, a parent, subsidiary or affiliate thereof or a third party ^Aunrelated to the Applicant, as may hereafter be determined by the Applicant (the "Borrower"), desires to acquire, construct and install, including land, machinery and equipment, within the boundaries of the Issuer, real and personal property comprising a new commercial facility for use in the sale, warehousing and distribution of toys, juvenile furniture, recreational and sporting goods, wheel goods and other related items, accessories and supplies, and other compatible commercial uses (the "Project"), the cost of which Project, including issuance costs related to the financing thereof, is now estimated not to exceed \$3,000,000; and

WHEREAS, the Applicant has informed the Issuer of the possibility or probability that the Applicant's rights and obligations under this Agreement and the resolution of the Issuer authorizing this Agreement may be assigned by the Applicant to a parent, subsidiary or affiliate thereof or a third party unrelated to the Applicant, who would acquire, construct and install and own or lease the Project and lease or sublease all or a portion of the Project to the Applicant; and

WHEREAS, the Borrower wishes to finance such acquisition, construction and installation, including land, machinery and equipment, of the Project from the proceeds of economic development revenue bonds of the Issuer issued pursuant to the Act in an aggregate principal amount now estimated not to exceed \$3,000,000 (the "Bonds"), and is agreeable to making payments to the Issuer sufficient to pay all of the principal of, premium, if any, and interest on the Bonds; and

WHEREAS, the Issuer is willing to issue the Bonds and desires to obtain the economic benefits from the Project;

NOW, THEREFORE, the Issuer and the Applicant hereby agree as follows:

1. The Applicant and/or another Borrower shall commence the acquisition, construction and installation of the Project as soon as feasible and may provide or cause to be provided, at its own expense, the necessary interim financing to permit the Project to commence and continue. Upon the issuance of the Bonds, the Issuer and the Borrower will enter

into an agreement (the "Financing Agreement") to implement this Agreement with respect to the Project and the financing therefor. The Financing Agreement shall contain such terms and conditions as provided or permitted under the Act; provided, however, that the Financing Agreement shall require payments sufficient to pay the principal of, premium, if any, and interest on the Bonds. Upon request of the purchaser or purchasers of the Bonds, the Borrower shall give and the Issuer shall, on behalf and for the reasonable protection of the holders of the Bonds, accept such security as may be provided or permitted under the Act. The Bonds shall not be in any respect a general obligation of the Issuer, nor shall they be payable in any manner from revenues raised by taxation.

2. Upon receipt of a request from the Borrower, the Issuer will promptly issue the Bonds in such form, maturing in such amounts and at such times, bearing interest at such rate or rates, payable on such dates and containing such optional and mandatory redemption features and prices as are requested by the Borrower, and will deliver the Bonds to the purchaser or purchasers thereof and cooperate to its fullest extent in consummating the issuance, purchase and sale of the Bonds.

3. In order to induce the Issuer to execute and deliver this Agreement and ultimately to issue the Bonds, the Applicant hereby agrees to defend, indemnify and hold the Issuer and any and all officials or employees thereof harmless against any and all loss, cost, expense, claims or actions

arising out of or connected with the execution of this Agreement and the preparation of proceedings for, and the issuance, sale or delivery of, the Bonds or any other activity thereafter related to or connected with the Bonds.

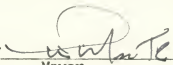
4. It is hereby agreed that this Agreement may be assigned by the Applicant, with notice to the Issuer, to any parent, subsidiary or affiliate of the Applicant or any third party unrelated to the Applicant, who may be any person, firm, association, partnership, joint venture or corporation, who will thereafter be deemed to have assumed all of the Applicant's rights and obligations hereunder, which assignment, however, shall not release the Applicant from any obligations hereunder.

IN WITNESS WHEREOF, the Issuer, pursuant to a resolution adopted on March __, 1982 by its Common Council, has caused this Agreement to be executed by its Mayor, and Applicant has caused this Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

Attest:


Clerk of the Common Council

CITY OF FORT WAYNE, INDIANA

By 
Mayor

CHILD WORLD, INC.

By _____
Boake A. Sells,
Executive Vice President



The City of Fort Wayne

February 19, 1982

Common Council of the
City of Fort Wayne
One Main Street
Fort Wayne, Indiana 46802

Re: City of Fort Wayne, Indiana, Economic Development Revenue Bonds
(Child World, Inc.)

Gentlemen and Mrs. Bradbury:

Please be advised that on the 18th day of February, 1982, the Fort Wayne Economic Development Commission passed an Inducement Resolution on the above-referenced application. Pursuant to Indiana law and the informal request of the Council, enclosed please find the following:

The Application for Economic Development financing;

The Report of the City Controller;

The Report from the Department of Community Development and Planning;

The Report of the Economic Development Commission; and

Inducement Resolution of the Fort Wayne Economic Development Commission.

The Commission requests that you consider these enclosures and the proposed financing contemplated thereby and adopt the Inducement Resolution submitted to the Council on February 23, 1982.

Sincerely,

Fred Baughman
Coordinator
Economic Development Commission

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APPLICATION TO FORT WAYNE, INDIANA
ECONOMIC DEVELOPMENT COMMISSION,
FOR ECONOMIC DEVELOPMENT
REVENUE BOND FINANCING

(1) Applicant's name

CHILD WORLD, INC., its successors, assigns or nominees.

(2) Address of Applicant's Principal Office and Place of Business.

25 Littlefield Street
Avon, Massachusetts 02322

(3) Type of organization under which the Applicant does business
(e.g. corporation, partnership, sole proprietorship, joint venture).

Corporation

(4) Under the laws of what State is the Applicant organized?

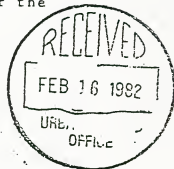
Massachusetts

(5) Business or business in which applicant is engaged?

Retail selling of toys, games, juvenile furniture,
wheel goods and other related items.

(6) Is the applicant qualified to do business in Indiana?

Yes. Applicant does business in Indiana under the
name Children's Palace.



(7) Please list names and titles of principal operating personnel.

President	John Chase
Executive Vice President	Boake A. Sells
Vice President	Thomas T. S. Kaung
Clerk	John F. Downie
Treasurer	Jeffrey A. Cole
Assistant Treasurer	Tracy L. Burmeister

(8) Please list names of all persons or firms having an ownership interest of 10% or more in the applicant.

Applicant is a wholly owned subsidiary of Cole National Corporation, 29001 Cedar Road, Suite 200, Cleveland, Ohio 44124.

(9) Please list names of any persons who are both (a) shareholders or holders of any debt obligation of the applicant; and (b) officers or members of the Economic Development Commission; or members of the Common Council of the City; or members of the Allen County Council.

None

(10) Has any person listed been (a) convicted of a felony, (b) convicted of or enjoined from any violation of state or federal securities laws, or (c) a part to any consent order or entry with respect to an alleged state or federal securities law violation, in each case within ten years preceding the date of this application?

No

(11) What is applicant's net worth as of the end of the calendar or fiscal year quarter next preceding the date of the application?

Approximately \$35,000,000

(12) How long has applicant been in business (a) under its present name, and (b) under any prior names? Please supply, if applicable.

26 years

(13) What is the proposed amount of the bond issue?

\$3,000,000

(14) How are the proceeds of the issue to be used? (Itemize by category of expenditure)

- | | |
|---|-------------|
| 1. Land | \$ 950,000 |
| 2. Building (36,000-sq. ft. one-story free standing building) | \$1,500,000 |
| 3. Fixtures and Equipment | \$ 300,000 |
| 4. Miscellaneous costs including interest, architectural fees and contingencies | \$ 250,000 |

(15) If the proceeds of the issue are not estimated to be sufficient to acquire, construct and/or remodel, and equip the proposed project, itemize the additional expenditures which will be necessary and indicate the source of such funds.

N/A

(16) Where is the proposed project to be located? (Give street address and legal description as it appears on auditor's records).

On the present AMC site on Coldwater Road at U.S. Highway 30.

(17) Describe facilities to be constructed. (Provide architect's rendering if available).

36,000 sq. ft. one-story free standing building to include 25,000 sq. ft. of sales area and 11,000 sq. ft. of storage area, plus parking for 200 cars.

(18) Is the project solely within the city limits of Fort Wayne? (If not, give the name of the township and/or other municipality in which it is located).

Yes

(19) Is the property solely within the Fort Wayne Community School District? (If not, state the name of the School District in which it is located).

Yes

(20) What is the approximate size of the tract or parcel on which the property is to be situated?

Approximately 3.9 acres

(21) If the proposed project or a portion thereof is to be leased to another entity or entities, name the entity or entities and describe the portion to be leased. If no lease is contemplated, please indicate.

Applicant will be the principal user of the Project and may lease the space from a third party owner. Applicant may lease or sublease a small portion of the project fronting on U.S. Highway 30 to a compatible retail operation.

(22) What is the nature of the business to be conducted at this location?

Sales, warehousing and distribution of toys, games, juvenile furniture, juvenile recreational and sporting goods, wheel goods and other related items, accessories and supplies.

(23) Does existing zoning clearly permit construction and operation of the proposed project?

(a) - What is the existing zone?

Part of the real estate in question is zoned M-1 and part of the real estate is zoned B-4.

(b) - What zone does project require?

B-1

(24) Will the proposed project have ready access to (a) water, and (b) sewers? If not, state how it is intended to obtain access to those utilities.

(a) Yes

(b) Yes

(25) Are septic tank or other temporary sewage treatment and disposal facilities to be used in lieu of sewers?

N/A

(26) Describe briefly any adverse environmental impact anticipated by reason of operation of the proposed project, with particular reference to air, noise or water pollution.

None

(27) If the project is constructed, will any existing jobs be lost by reason of reduction or cessation of operations (a) in the City, (b) in Allen County, or (c) elsewhere in the State of Indiana?

- (a) No
- (b) No
- (c) No

(28) Describe briefly by category the nature of the new jobs to be created.

Regular Season Employees

- 1 Store Manager
- 2 Assistant Managers
- 5 Department Heads (toys, wheel goods, juvenile, cashiers and warehousemen)

9-11 Cashiers and Salespeople

5-6 Warehousemen

Peak Season -- October 1 through December 1

We employ 40 full-time and 40 part-time employees.

(29) State the number of new jobs to be created (a) immediately after the proposed facilities are placed into operation, and (b) within three years thereafter.

Regular Season

13 employees full-time

- (a) 12 employees part-time
- (b) Same as (a)

Peak Season

40 employees full-time

40 employees part-time

(30) What additional annual payroll will the new jobs generate (a) immediately after the proposed facilities are placed into operation, and (b) within three years thereafter.

- (a) \$350,000
- (b) \$350,000

(31) If the proposed project would not be approved for tax-exempt financing, is there any substantial possibility that loss of existing jobs would occur in (a) the City, (b) the County, or (c) the State of Indiana? If the answer to either (a), (b) or (c) is affirmative, what would be the approximate number of jobs lost and the approximate net annual dollar amount of payroll loss?

If the proposed project is not approved for IRB financing, there is a possibility it will not proceed.

(32) Has the proposed project been informally reviewed by bond counsel to determine whether it is in accordance with the applicable state and federal law? If so, by what firm of bond counsel?

Applicant has reviewed the proposed project with Squire, Sanders & Dempsey and Jones, Day, Reavis & Pogue, both of Cleveland, Ohio.

(33) Have tentative or final arrangements been made for sale of the bonds? Describe briefly any such arrangements.

Negotiations will be undertaken with several potential lenders.

(34) Describe briefly the proposed method of financing. (Direct, loan, lease, sale, etc.)

Method of financing is not yet finalized.

CHILD WORLD, INC., its successors,
Name of Applicant assigns or nominees

BY:

Its:

Thomas S. Kemp

VICE PRESIDENT

Dated this 15th day of February, 1982.

State name, address and phone number of person to be contacted and given notice about this applicant:

David B. Keller, Esq., Shoaff, Parker & Keegan, 2400 Ft. Wayne
National Bank Building, Ft. Wayne, Indiana 46802

CONSOLIDATED BALANCE SHEETS

CHILD WORLD, INC. AND SUBSIDIARIES

	January 31 1981	February 2 1980
ASSETS		
CURRENT ASSETS		
Cash and short-term investments	\$11,548,933	\$ 5,438,039
Merchandise inventories	27,973,378	35,828,115
Prepaid expenses and other current assets	<u>2,952,708</u>	<u>2,484,013</u>
TOTAL CURRENT ASSETS	42,475,019	43,750,167
OTHER ASSETS	276,323	382,716
DEFERRED INCOME TAXES	1,487,000	1,101,000
PROPERTY AND EQUIPMENT		
Store and operating equipment	15,098,895	13,716,695
Leasehold improvements	<u>6,252,027</u>	<u>4,874,057</u>
	21,350,922	18,590,752
Less allowances for depreciation and amortization	<u>9,219,004</u>	<u>7,229,438</u>
NET PROPERTY AND EQUIPMENT OWNED	12,131,918	11,361,314
CAPITAL LEASES (less accumulated amortization of \$15,099,562 in 1981 and \$12,502,557 in 1980)	33,624,003	32,727,054
	<u>\$89,994,263</u>	<u>\$89,322,251</u>

	January 31 1981	February 2 1980
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$19,900,375	\$18,335,877
Compensation and related taxes	906,298	953,397
Federal and state income taxes		3,073,351
Current portion of long-term debt	300,000	300,000
Current portion of capital lease obligations	<u>1,754,090</u>	<u>1,559,480</u>
TOTAL CURRENT LIABILITIES	22,860,763	24,222,105
10-3/4% SENIOR NOTE PAYABLE--less current portion--Note C	1,200,000	1,500,000
CAPITAL LEASE OBLIGATIONS--less current portion--Note F	35,960,446	34,348,256
SHAREHOLDERS' EQUITY--Notes C and D		
Common Stock, par value \$.10 per share-- authorized 2,500,000 shares; issued 2,094,129 shares (2,083,629 in 1980)	209,413	208,363
Capital surplus	8,432,333	8,215,871
Retained earnings	<u>21,331,308</u>	<u>20,909,219</u>
	29,973,054	29,333,453
Less unearned compensation		<u>81,563</u>
	<u>29,973,054</u>	<u>29,251,890</u>
LEASES--Note F		
	<u>\$89,994,263</u>	<u>\$89,322,251</u>

See notes to consolidated financial statements.

Certain reclassifications have been made in 1980 to permit comparison.

Consolidated Balance Sheets

Child World Inc. and Subsidiaries

Assets

	<u>FEBRUARY 2, 1980</u>	<u>FEBRUARY 3, 1979</u>
CURRENT ASSETS		
Cash and short-term investments - Note A	\$ 5,438,039	\$11,968,912
Merchandise inventories - Note A	35,828,115	24,445,168
Prepaid expenses and other current assets	<u>2,619,870</u>	<u>1,888,981</u>
TOTAL CURRENT ASSETS	43,886,024	38,303,061
OTHER ASSETS	246,859	157,083
DEFERRED INCOME TAXES - Note A	1,101,000	921,000
PROPERTY AND EQUIPMENT		
Store and operating equipment	13,716,695	11,206,375
Leasehold improvements	<u>4,874,057</u>	<u>3,582,086</u>
	18,590,752	14,788,461
Less allowances for depreciation and amortization	<u>7,229,438</u>	<u>5,500,381</u>
NET PROPERTY AND EQUIPMENT OWNED	11,361,314	9,288,080
CAPITAL LEASES (less accumulated amortization of \$12,502,557 in 1980 and \$10,126,153 in 1979)	32,727,054	30,484,702
	<u><u>\$89,322,251</u></u>	<u><u>\$79,153,926</u></u>

See notes to consolidated financial statements.

Liabilities and Shareholders' Equity

	<u>FEBRUARY 2, 1980</u>	<u>FEBRUARY 3, 1979</u>
CURRENT LIABILITIES		
Accounts payable	\$18,352,420	\$13,058,402
Compensation and related taxes	936,854	1,459,222
Federal and state income taxes	3,073,351	3,105,542
Current portion of long-term debt	300,000	300,000
Current portion of capital lease obligations	<u>1,559,480</u>	<u>1,528,194</u>
TOTAL CURRENT LIABILITIES	24,222,105	19,451,360
LONG-TERM DEBT - less current portion		
Note payable - Note C	1,500,000	1,800,000
CAPITAL LEASE OBLIGATIONS - less current portion - Note G	34,348,256	32,450,882
SHAREHOLDERS' EQUITY - Notes C, D and E		
Common Stock, par value \$.10 per share- authorized 2,500,000 shares; issued 2,083,629 shares (2,076,379 in 1979)	208,363	207,638
Capital surplus	8,215,871	8,168,601
Retained earnings	<u>20,909,219</u>	<u>17,171,624</u>
	29,333,453	25,547,863
Less - unearned compensation	<u>81,563</u>	<u>96,179</u>
	29,251,890	25,451,684
LEASES - Note G		
	<u><u>\$89,322,251</u></u>	<u><u>\$79,153,926</u></u>

See notes to consolidated financial statements.

Consolidated Balance Sheets

Child World, Inc. and Subsidiaries

Assets	FEBRUARY 3, 1979	JANUARY 28, 1978 (Restated)
CURRENT ASSETS		
Cash and short-term investments	\$11,968,912	\$ 9,138,054
Merchandise inventories — Note A	24,445,168	24,059,695
Prepaid expenses and other current assets	<u>1,888,981</u>	<u>1,160,421</u>
TOTAL CURRENT ASSETS	38,303,061	34,358,170
 OTHER ASSETS	 157,083	 153,050
DEFERRED INCOME TAXES — Note A	921,000	900,000
 PROPERTY AND EQUIPMENT — at cost		
Store and operating equipment	11,206,375	10,216,734
Leasehold improvements	<u>3,582,086</u>	<u>3,520,483</u>
	14,788,461	13,737,217
Less allowances for depreciation and amortization	<u>5,500,381</u>	<u>4,220,321</u>
NET PROPERTY AND EQUIPMENT OWNED	9,288,080	9,516,896
 CAPITAL LEASES (less accumulated amortization of \$10,126,153 in 1979 and \$8,174,813 in 1978)	 30,484,702	 29,942,958
	<u>\$79,153,926</u>	<u>\$74,871,074</u>

See notes to consolidated financial statements.

Liabilities and Shareholders' Equity

	<u>FEBRUARY 3, 1979</u>	<u>JANUARY 28, 1978</u> (Restated)
CURRENT LIABILITIES		
Accounts payable	\$13,058,402	\$16,489,679
Compensation and related taxes	1,459,222	753,829
Federal and state income taxes	3,105,542	355,473
Current portion of long-term debt	300,000	300,000
Current portion of capital lease obligations	<u>1,528,194</u>	<u>1,413,919</u>
TOTAL CURRENT LIABILITIES	19,451,360	19,312,900
LONG-TERM DEBT — less current portion		
Note payable — Note C	1,800,000	2,100,000
CAPITAL LEASE OBLIGATIONS — less current portion — Note G	32,450,882	31,341,409
SHAREHOLDERS' EQUITY — Notes C, D and E		
Common Stock, par value \$.10 per share — authorized 2,500,000 shares; issued 2,076,379 shares (2,073,379 in 1978)	207,638	207,338
Capital surplus	8,168,601	8,148,651
Retained earnings	<u>17,171,624</u>	<u>13,867,713</u>
	25,547,863	22,223,702
Less — unearned compensation	<u>96,179</u>	<u>106,937</u>
	25,451,684	22,116,765
LEASES — Note G		
	<u>\$79,153,926</u>	<u>\$74,871,074</u>

See notes to consolidated financial statements.



The City of Fort Wayne

February 17, 1982

Mr. Bruce Boxberger
City Attorney
City-County Building
Fort Wayne, Indiana

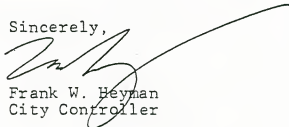
RE: RE: EDC Application for Child World, Inc.

Dear Bruce:

I have reviewed the application and financial statements of the above named applicant.

I find no problems with these documents which should deter action by the Commission.

Sincerely,



Frank W. Heyman
City Controller



THE CITY OF FORT WAYNE

CITY-COUNTY BUILDING • ONE MAIN STREET • FORT WAYNE, INDIANA 46802

city plan commission

18 February 1982

Fred Baughman, Coordinator
Economic Development Commission
Room #840, City-County Building
One Main Street
Fort Wayne, IN 46802

Re: Child World, Inc.

Dear Mr. Baughman:

The property on which the A.M.C. car dealership is located appears to be zoned "B-4" Roadside Business. The "B-4" zoning classification permits all types of commercial uses, including those activities described in the Child World E.D.C. application.

The precise zoning on the property can be determined if you can obtain a legal description from the applicant.

If you have questions or need more information please contact me at 423-7571.

Sincerely,


Gary F. Baeten
Senior Planner

GFB:pb

REPORT OF THE FORT WAYNE ECONOMIC DEVELOPMENT
COMMISSION CONCERNING THE PROPOSED FINANCING
OF ECONOMIC DEVELOPMENT FACILITIES FOR
Child World, Inc.

Having been furnished certain data by the above applicant, and having had discussions with representatives of said applicant, the Fort Wayne Economic Development Commission now submits the following report pursuant to Indiana Code 36-7-12-1 et seq.

Description of Proposed Facilities

The project consists of land acquisition and construction of a retail toy store to be located on the abandoned A.M.C. site on Coldwater Road at U.S. Highway 30 in Fort Wayne, Indiana.

Estimate of Public Services Required

All public services, including water and sewage, now exist. No public facilities will be made necessary on account of the proposed facilities.

Total Project Cost

The total project cost for the purchase, construction and equipping of the facilities is estimated to be \$ 3,000,000.00, including costs of issuance of the economic development revenue bonds.

Number of Jobs and Estimated Payroll

It is anticipated there will be approximately 25 regular season 80 peak season new jobs created by this project with an estimated payroll increase of approximately \$ 350,000.00 annually.

Adverse Competitive Effect

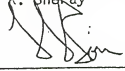
The construction of the facilities will not have an adverse competitive effect on any similar facilities already constructed or operating in or near Fort Wayne, Indiana.

Dated this 18th day of FEBRUARY, 19 82.



Sidney R. Sheray

Charles Henry



Timothy Borne



Phil A. Howard



Stan Lipp

INDUCEMENT RESOLUTION OF
FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
ON APPLICATION OF
CHILD WORLD, INC.

WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer") is authorized by Indiana Code §36-7-12 (the "Act") to issue revenue bonds for the financing of economic development facilities, the funds from said financing to be used for the acquisition, construction and equipping of said facilities, and said facilities to be either sold or leased to the user or developer; and

WHEREAS, Child World, Inc., its successors, assigns or nominees (the "Applicant"), has advised the Fort Wayne Economic Development Commission (the "Commission") and the Issuer that it proposes that the Issuer acquire and equip an economic development facility and sell and/or lease the same to the Applicant or loan proceeds of an economic development financing to the Applicant for the same, said economic development facility to be acquisition of a 36,000 sq. ft. one-story free standing building plus fixtures, equipment, parking area, and costs of issuance, for use as retail selling of toys, games, juvenile furniture, wheel goods and other related items (the "Project"); and

WHEREAS, the diversification of industry and increase in job opportunities to be achieved by the acquisition of the Project will be of public benefit to the health, safety and general welfare of the Issuer and its citizens; and

WHEREAS, it would appear that the financing of the Project would be of public benefit to the health, safety and general welfare of the Issuer and its citizens or the citizens of Allen County, Indiana; and

WHEREAS, the acquisition and construction of the facility will not have an adverse competitive effect on any similar facility already constructed or operating in Allen County, Indiana.

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

1. The Commission hereby finds and determines that the promotion of diversification of economic development and job opportunities in Fort Wayne, Indiana, is desirable to preserve the health, safety and general welfare of the citizens of the Issuer, and that it is in the public interest that the Commission and the Issuer take such action as they lawfully may to encourage economic development, diversification of industry and promotion of job opportunities in and near the Issuer.
2. The Commission hereby finds and determines that the issuance and sale of economic development revenue bonds in an amount of approximately \$3,000,000 of the Issuer under the Act for the acquisition, construction and equipping of the Project and the sale or leasing of the Project to the Applicant or the loan of the proceeds of the revenue bonds to the Applicant, will serve the public purposes referred to above, in accordance with the Act.
3. In order to induce the Applicant to proceed with the acquisition, construction and equipping of the Project, the Commission hereby finds and determines that (i) it will take or cause to be taken such actions pursuant to the Act as may be required to implement the aforesaid financing or as it may deem appropriate in pursuance thereof; provided that all of the foregoing shall be mutually acceptable to the Issuer and the Applicant; and (ii) it will adopt such resolutions and authorize the execution and delivery of such instruments and the taking of such action as may be necessary and advisable for the authorization, issuance and sale of said economic development revenue bonds.
4. All costs of the Project which may be financed under the Act will be permitted to be included as part of the bond issue to finance the Project, and the Issuer will sell or lease

the same to the Applicant or loan the proceeds from the sale of the bonds to the Applicant for the same purposes.

5. This Resolution shall expire 180 days after the date of its adoption unless the Applicant either requests the Commission to adopt a final resolution approving closing documents or requests an extension from the Commission, which extension shall be granted upon good cause being shown.

ADOPTED this 18 day of FEBRUARY, 1982.

FORT WAYNE ECONOMIC DEVELOPMENT
COMMISSION



Sidney R. Sheray

Timothy Borne

Charles M. Henry

_____

Phil A. Howard

Stan Lipp

Admn. Appr. _____

DIGEST SHEET

As amended
Dg-82-02-15

TITLE OF ORDINANCE Inducement Resolution for an issue of \$3,000,000.00

DEPARTMENT REQUESTING ORDINANCE Economic Development Commission

SYNOPSIS OF ORDINANCE Purchase of land and existing buildings located

near the corner of Coldwater Road and U.S. Highway 30, Fort Wayne,

Indiana, demolition of existing buildings, construction and equipping

of 36,000 sq. ft. building and parking area, including cost of issuance,

for use as retail toy store, on application of Child World, Inc.

EFFECT OF PASSAGE Purchase of land and buildings, demolition of exist-

ing buildings and construction and equipping of new building and
parking area, creating 13 full-time and 12 part-time permanent jobs with
an estimated payroll of \$350,000.00 annually.

EFFECT OF NON-PASSAGE None of the above.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) None.

ASSIGNED TO COMMITTEE (PRESIDENT) _____